University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
December 9, 2020

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada

The University Medical Center Governing Board Audit and Finance Committee met at the location and date above, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:02 p.m. by Chair Robyn Caspersen and the following members were present which constituted a quorum.

CALL TO ORDER

Board Members:

Present:
Robyn Caspersen (Via WebEx)
Dr. Donald Mackay
Jeff Ellis (Via WebEx)
Harry Hagerty (Via WebEx)
Mary Lynn Palenik (Via WebEx)
Christian Haase (Via WebEx)

Absent:

Others Present:
Tony Marinello, Chief Operating Officer
Jennifer Wakem, Chief Financial Officer
Susan Pitz, General Counsel
Emelia Allen, Attorney
Rose Coker, Director of Managed Care
Jacqueline Saites, Director of Contract Management
Stephanie Ceccarelli, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Committee Chair Caspersen asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

Speaker(s): None

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Audit and Finance Committee meeting on November 10, 2020. *(For possible action)*

FINAL ACTION: A motion was made by Member Dr. Mackay that the minutes be approved as presented. Motion carried by unanimous vote.

ITEM NO. 3 Approval of Agenda *(For possible action)*

FINAL ACTION: A motion was made by Member Hagerty that the agenda be approved as presented. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Receive an update report from the Chief Financial Officer; and direct staff accordingly. *(For possible action)*

DOCUMENTS SUBMITTED:
- None submitted

DISCUSSION:

Ms. Wakem informed the Committee that the financial statements for the month are not yet complete, but was able to provided a brief overview of the November volumes.

Overall volumes for November are above budget. Admissions are down 12% from prior year. Overall hospital CMI is 2.04 and Medicare is 2.16. Inpatient surgeries were below prior year roughly 6% and outpatient was down approximately 12%. ER visits were down 24%.

Quick care visits were down 28%. The ED to admission conversion rate was 21.5%, up 3% from prior year.

The BDO audited financial statements for FY20 will be presented at the January committee meeting.

We are continuing to pursue the Cares Act funding. The initial deadline of November 6, 2020 for submitting an application to secure additional funding was extended to November 27, 2020. She will inform the Committee of any updates of any funding that is received.

Next, Ms. Wakem discussed the CMS Price Transparency Rule with the committee and what it means to hospitals. She explained that the hospital charge master, or shoppable services, must be posted to the public
This rule requires us to be in compliance by January 1, 2021.

She also informed the Committee of additional policy changes which includes a phase out of an "inpatient only" list over the next 3 years. This includes surgical procedures that Medicare considers inpatient only. We will continue to monitor how it affects the hospital financially.

Finally, Ms. Wakem provided an explanation the timeline for the BDO external audit schedule.

FINAL ACTION TAKEN: None taken

ITEM NO. 5 Review and recommend for approval by the Governing Board the Provider Services Agreement with HCP IPA Nevada, LLC; and take action as deemed appropriate. *(For possible action*

DOCUMENTS SUBMITTED:
- Physician Provider Services Agreement

DISCUSSION:

Rose Coker, Director of Managed Care, explained the physician provider agreement. HPC will be managing the network. This is a capitated agreement. There is a per member per month rate increase and per member per month patient increase and bonus incentives. The urgent care rate has been negotiated. This is a 3-year agreement term.

FINAL ACTION TAKEN:

A motion was made by Member Haase to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 6 Review and recommend for approval by the Governing Board the Preferred Provider Agreement with Culinary Health Fund Administrative Services, LLC; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Preferred Provider Agreement

DISCUSSION:

Ms. Coker stated that the agreement was renewed so that employed hospital based physicians have a rate in place to cover pro-fees. This is a self-funded agreement and adds new specialty areas. She added that the urgent care rate was also renegotiated. Hospital based and urgent care rate is included and will be effective January 1, 2021.

FINAL ACTION TAKEN:

A motion was made by Member Dr. Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 7 Review and recommend for ratification by the Governing Board the Commitment Agreement with Cepheid for the purchase of COVID-19 4-Plex Test Kits; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- COVID_4Plex_Purchase Agreement
- Disclosure of Ownership

DISCUSSION:

Jacqueline Saites, Director of Contract Management, stated that this is the ratification of a purchase commitment to purchase 90% of flu and COVID tests.

Mr. Marinello added that this has been converted from a single panel to a 4-part testing panel which allows for expedited testing.

FINAL ACTION TAKEN:

A motion was made by Member Hagerty to approve and make a recommendation to the Governing Board to ratify the agreement. Motion carried by unanimous vote.

ITEM NO. 8 **Review and recommend for approval by the Governing Board the award of Bid No. 2020-07, Pharmacy Clean Room Design and Build Project, to Martin-Harris Construction, LLC, the lowest responsive and responsible bidder; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Martin Harris Bid 2020-07 Pharmacy Cleanroom
- Bid 2020-07 Letter of Award

DISCUSSION:

This is a compliance contract for the pharmacy. Ms. Saites explained that a clean room is needed for sterile compounding and hazardous drugs. This is an award for construction and precise materials. She stated that this is a combination of contingency and construction conflict allowances.

A discussion ensued regarding the compliance requirements for pharmacies.

FINAL ACTION TAKEN:

A motion was made by Member Dr. Mackay to approve and make a recommendation to the Governing Board to approve the agreement and award. Motion carried by unanimous vote.

ITEM NO. 9 **Review and recommend for approval by the Governing Board the Product Supply Agreement with Praxair Distribution, Inc. for bulk oxygen; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Praxair Supply Agreement
- Product Rider

- Disclosure of Ownership
- Bulk Oxygen Sourcing Letter

DISCUSSION:

This is a standard supply agreement for oxygen distribution. Ms. Saites explained this is a 5-year agreement for bulk oxygen distribution. Existing tanks will be used to increase cost efficiency.

FINAL ACTION TAKEN:

A motion was made by Member Haase to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 10 **Review and recommend for approval by the Governing Board the Professional Services Agreement for Cardiovascular and Thoracic Surgery Clinical Coverage with Martin, MD, Mavroidis, MD, Dhudshia, MD & Feikes, MD, Cardiovascular Surgical Services, Ltd. d/b/a Cardiovascular Surgery of Southern Nevada; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Professional Services Agreement- Clinical Services

DISCUSSION:

This is a new professional services agreement providing for 24/7 emergency and on-call cardio-thoracic surgery services. This is a 3-year agreement with 2 one-year options for renewal. The rates remain unchanged from previous rates for these services.

FINAL ACTION TAKEN:

A motion was made by Member Palenik to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 11 **Review and recommend for approval by the Governing Board the Professional Services Agreement for Cardiovascular Anesthesiology On-Call Coverage with Fielden, Hanson, Isaacs, Miyada, Robison, Yeh, Ltd. d/b/a USAP-Nevada; and take action as deemed appropriate. *(For possible action)***

DOCUMENTS SUBMITTED:
- Professional Services Agreement – Group Physician On-Call Coverage

DISCUSSION:

This is a new agreement for cardio-anesthesia services on-call services. There was a slight increase of approximately $18K per year.

FINAL ACTION TAKEN:

A motion was made by Member Palenik to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 12 Review and recommend for approval by the Governing Board the Master Services Agreement and Statements of Work with Primaris Holdings, Inc.; authorize the Chief Executive Officer to execute future statements of work within his delegation of authority; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Statement of Work #1
- Statement of Work #2
- Master Services Agreement
- Business Associate Agreement

DISCUSSION:

This agreement is for data abstraction for medical records for quarterly reporting.

FINAL ACTION TAKEN:

A motion was made by Member Dr. Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 13 Review and recommend for approval by the Governing Board the Master Services Agreement with Vizient, Inc. for quality management and software solutions; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Master Services Agreement
- Disclosure of Ownership

DISCUSSION:

Member Hagerty informed the Committee that UMC Foundation holds shares with Vizient, Inc. on behalf of UMC. Ms. Pitz confirmed that there is no conflict.

This is a compliance requirement for software licenses for core measures reporting as required by CMS.

A conversation ensued regarding tracking and updating the compliance contracts timely.

FINAL ACTION TAKEN:
A motion was made by Member Haase to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 14 Review and recommend for approval by the Governing Board the Agreement for Rapid Patient Service Desk Activation II with Bluetree Network, Inc.; authorize the Chief Executive Officer to exercise any extension options; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Rapid Service Desk Activation II Agreement
- Disclosure of Ownership

DISCUSSION:

The agreement with Bluetree will be in place through the end of 2021. Ms. Wakem added that they will be used to assist in increased call volumes and support the call center.

The discussion continued regarding a way to streamline the process using Epic to assist patient access to MyChart. Ms. Wakem will follow up with the IT department to make sure all avenues have been explored to streamline the process.

FINAL ACTION TAKEN: A motion was made by Member Dr. Mackay to approve and make a recommendation to the Governing Board to approve the agreement. Motion carried by unanimous vote.

ITEM NO. 15 Review and recommend for approval by the Board of Hospital Trustees for University Medical Center of Southern Nevada ("UMC") the Lease Contract for the Nellis Primary and Quick Care location with WRI Charleston Commons, LLC; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:
- Lease Contract
- Disclosure of Ownership

DISCUSSION:

This a new 5-year lease for the Nellis Primary and Quick Care location. The location is 9600 square feet and the request includes rent, estimated increases in utilities and insurance, tenant improvement and signage.

FINAL ACTION TAKEN:

A motion was made by Member Hagerty to approve and make a recommendation to the Board of Hospital Trustees to approve the agreement. Motion carried by unanimous vote.

SECTION 3: EMERGING ISSUES

ITEM NO. 16 Identify emerging issues to be addressed by staff or by the Audit and Finance Committee at future meetings; and direct staff accordingly. (*For possible action)*

None.

COMMENTS BY THE GENERAL PUBLIC: None

At this time, Chair Caspersen asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 2:59 p.m., Chair Caspersen adjourned the meeting.

MINUTES APPROVED: January 20, 2021
Minutes Prepared by: Stephanie Ceccarelli